

Arizona Registrar of Contractors

Message from Israel G. Torres, Director

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December 2005

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2005 proves to be a year of partnerships with licensed contractors, homeowners and community groups

As the year comes to a close, the ROC has remained committed to identifying innovative ways to assist licensed contractors and homeowners alike. To help ensure quality construction in Arizona, the ROC has teamed up with consumers and contractors in a variety of ways.

Business assistance and outreach to contractors

A top priority at the ROC is streamlining services and providing helpful resources to licensees so they have more time to concentrate on the bottom line: operating their businesses and producing high-quality housing, commercial properties and infrastructure for our communities.

- Online License Renewal To save contractors time and money, in August the ROC made this Internet-based service a priority and now every month, hundreds of contractors take advantage of the opportunity to renew their licenses online.
- Statewide Contractors' Seminars -The ROC took this workshop across the state to help contractors avoid complaints and keep their licenses intact. The key to maintaining a contractors license is knowing how to best handle job site inspections, administrative hearings and common customer service issues - topics covered in these seminars.
- ROC Women in Construction Workshops With the national record-setting boom in both residential and commercial construction that Arizona is experiencing, it is the perfect time for aspiring woman contractors to get their licenses and learn how to use the ROC as a resource.
- Small Business Advocate (SBA) With more than 7,000 served to date, the SBA provides one-on-one assistance to new and aspiring contractors in the application process.

Protecting Arizona homeowners and seniors

Over the past two years, Arizonans have been conned out of almost \$50 million by scam artists posing as licensed contractors. Many of them prey on seniors and take thousands of dollars for doing shoddy work, or no work at all. The ROC continues to educate and partner with homeowners to prevent crimes and financial exploitation against Arizona residents, particularly seniors.

- Neighborhood Ambassador Program This initiative includes an informative workshop for homeowners about the pitfalls of using construction, repair or remodeling contractors who are not licensed. Thousands of homeowners and seniors across Arizona have participated since the program's launch in early 2004.
- New Homeowners' Seminar The ROC and its Consumer Advisory Network offered this workshop in 2005 to help residents with new home construction questions.

Helping Arizonans in need

During the past three years, the ROC has sought ways to team up with the industry to help those less fortunate. Not surprising, Arizona contractors step up to the plate daily to use their skills and resources to move our state forward by

Investigations Update

Notorious unlicensed contractor arrested in Scottsdale

12-21-05: Lyle Scott Podergois of New Life Builders was arrested for contracting without a license, fraud schemes



and theft. Several Maricopa County homeowners contracted with New Life Builders to perform remodeling projects totaling about \$600,000. Podergois accepted almost \$150,000 from the homeowners before abandoning all projects.

Parker Man takes more than \$17,000 from local homeowner

12-21-05: Parker homeowners are advised to be on the lookout for William Xanders, an unlicensed contractor posing as a licensed contractor who accepted \$17,000 to perform tile work in a new home. After doing some shoddy work on the project, Xanders abandoned the job without returning the money to the customer. This case is pending in the Parker Justice Court.

Kingman residents warned not to do business with unlicensed company

12-21-05: Jon Dudek of Home and Business Improvement and Repair proposed to perform roofing work on an elderly woman's home. Dudek was paid a deposit of \$2,800, but failed to begin the work. Fortunately for the homeowner, Dudek later returned the deposit, and the ROC issued him a criminal citation for contracting and advertising without a license and forwarded the case to the city of Kingman for prosecution.

Protect yourself against unlicensed contracting scams! To report possible fraudulent home

lending a hand to people who need it the most.

- <u>Helping Hands for Seniors</u> The agency partnered with the ROC Labor Advisory Council and AARP Arizona to provide 50 low-income senior households with free home repairs and independent living modifications.
- <u>Project Cool Aid</u> For the third year, the ROC partnered with the Air Conditioning Contractors of America/Arizona to give more than 140 low-income households free home cooling system repairs and replacements, totaling more than \$300,000 in labor and materials.
- <u>2nd Annual Building Blocks of the Community Awards and Banquet</u> The ROC and its Industry Advisory Council along with Premiere Sponsor Associated Minority Contractors of America Phoenix Chapter, honored subcontractors, general contractors and contractor associations for their community service during the past year.

Combating unlicensed contracting

Unlicensed contracting is harmful to both the licensed construction industry as well as homeowners, particularly seniors. As such, in 2005, the ROC conducted the most special operations in the agency's history.

- ROC inspectors and investigators uncovered in excess of 300 violations through <u>neighborhood sweeps</u> in more than 400 job sites in Arizona City, two locations in Phoenix, Show Low, Sun City, Tucson and Yuma in the past year.
- The agency's <u>undercover sting operations</u> target known unlicensed contractors, who provide bids to ROC investigators on jobs that require a license. The ROC partnered with local industry members in Bullhead City, Prescott and Sierra Vista this year to conduct these undercover stings, resulting in civil and criminal penalties against approximately 50 of the state's most notorious unlicensed contractors.

In addition to regulating the construction industry, the ROC seeks to partner with contractors, homeowners, seniors and community-serving organizations to make our state better for all who live here. Collectively through these initiatives, we can work together to build a legacy in Arizona that we can all be proud of!

Israel G. Torres, Director

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Seminars aimed at woman contractors resume in January

In Arizona's current contracting climate, women have vast opportunities in the industry, which is experiencing unprecedented growth statewide. In January, the ROC will offer two workshops, *Getting Your ROC License* (for aspiring contractors) and *Maintaining Your License* (for current woman contractors or employees of contractors).

Launched in November with *Getting to Know Your ROC*, the agency created a three-part Women in Construction workshop series to provide resources to current and aspiring female contractors and address the unique issues facing women in construction. The ROC has partnered with the National Association of Women in Construction Greater Phoenix and Phoenix-East Valley

chapters and the National Association of Women Business Owners Phoenix chapter to develop and host the free workshop series.

The second workshop in the Women in Construction series, *Getting Your ROC License*, is set for 10 a.m. to noon, Tuesday, Jan. 10, at the ROC's main office,

improvement activities or if you have been approached door-to-door by someone claiming to be a contractor, contact the ROC at 602-542-1525 or toll-free outside Maricopa County at 888-271-9286, or visit www.azroc.gov. Check the company's license status and report the company to the agency if you suspect a scam.

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Neighborhood sweeps in Phoenix and Yuma area net more than 70 violations

The ROC continued its proactive enforcement efforts by conducting neighborhood unlicensed contracting sweeps in central Phoenix and Yuma County. During a "sweep" operation, ROC teams move through a designated residential area, stopping at each jobsite to ensure that contractors are licensed and to gather information about unlicensed activities in the area.

Last month, ROC teams combed the neighborhoods from Camelback Road to Northern Avenue, 16th Street to 19th Avenue, visiting more than 100 job sites. In the course of the operation, the ROC discovered 37 violations of state contracting laws.

Most recently, the ROC conducted neighborhood sweeps in San Luis, Somerton and Yuma. ROC teams visited almost 80 construction sites, found more than 30 violations and initiated several additional investigations for reported unlicensed contracting activity in the area.

Neighborhood sweeps continue to be a vital part of ROC efforts throughout the state to shine a light on those who insist on operating illegally in the shadows, and to protect unsuspecting homeowners and legitimate, licensed contractors.

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800 W. Washington, in Phoenix. It will guide aspiring contractors through the ROC license application and will provide an overview of the license testing experience, important bonding information, Workers Compensation, and many other important aspects of a successful licensing process.

The third workshop in the series, *Maintaining Your ROC License*, will take place at the same time and place on Thursday, Jan. 19. It will provide an overview of ROC workmanship standards, outline the complaint process and how to avoid complaints, and provide tips on job site inspections.

Participants can register for the workshop <u>online</u>, or by calling 602-542-1525 ext. 7106, or sending e-mail to <u>wendy.gutierrez@azroc.gov</u>.

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Event encourages youth to consider careers in construction

At a time when skilled labor is scarce and Arizona needs more entrants into the contracting industry, contractors and trade associations are invited to showcase the great opportunities a career in construction offers. The 5th Annual Arizona Construction Career Days, in which the ROC is proud to participate again this year, is set for February and exhibit booths are now available.



This event brings together 1,500 high school students from throughout the state with construction industry leaders. It provides young people with first-hand experience of construction job sites, as well as resources on how they can pursue a contracting career. Companies, organizations, and associations are invited to participate in the event by hosting a demonstration booth.

Booth hosts are encouraged to have students participate in demonstrations and compete with other students, and to explain the career opportunities and benefits that are available in their particular fields. Since the event's inception, 3,450 students from 51 different high schools have attended and benefited from interacting with 81 various exhibitors.

Don't miss this opportunity to show Arizona students what a satisfying career they can enjoy in Arizona's booming construction industry! Arizona Construction Career Days will take place 8 a.m. to 1 p.m. Feb. 23 and 24, at the Army National Guard-Papago Facility, 5636 E. McDowell Road in Phoenix. For registration, exhibitor and fee information, contact Team Coordinators Rose Ann Canizales at 480-777-2226 or rcanizales@g-impactinc.com or Micaela Jean at 602-333-2406 or jeanmicaela@stanleygroup.com.

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